



M/037/0012
1009

Denison Mines (USA) Corp.
1050 17th Street, Suite 950
Denver, CO 80265
USA

Tel : 303 628-7798
Fax : 303 389-4125

www.denisonmines.com

October 19, 2009

Penny Berry
State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Attention: Ms. Penny Berry

Re: Surety Bond Increase Rider for M/037/012

Dear Ms. Berry,

Denison Mines (USA) Corp. (Denison) is providing the enclosed surety increase rider for the Pandora Mine (M/037/012). This increase rider increases the bond from \$142,910 by an amount of \$32,901 for a total surety amount of \$175,811. Also enclosed is an updated fact sheet and Modification of Attachment A to the Reclamation Contract. If you have any questions on the contents of this transmittal, please call me at (303) 389-4136.

Yours very truly,

DENISON MINES (USA) CORP.

A handwritten signature in cursive script that reads "Christy Woodward".

Christy Woodward, P.E.
Environmental Coordinator

Cc: Denison Mines (USA) Corp., file
Terry Wetz, Jon Showalter, Jim Fisher, Carol Marsala, Jim Conrad, Todd Mears, Denison Mines (USA) Corp.
Lynn Jackson, US Bureau of Land Management
Joel Nowak, US Forest Service
Paul Baker, Tom Munson, Utah Division of Oil, Gas and Mining

Enclosure.

RECEIVED

OCT 20 2009

Div. of Oil, Gas & Mining

1009

Increase PENALTY RIDER

BOND AMOUNT \$142,910.00

BOND NO. _____

To be attached and form a part of Bond No. _____ dated the 1st day of May, 1997, executed by National Union Fire Insurance Company of Pittsburgh, PA as surety, on behalf of Denison Mines (USA) Corp. as current principal of record, and in favor of State of Utah, Division of Oil, Gas and Mining and the U.S. Department of the Interior, Bureau of Land Management, and Forest Service, U.S. Department of Agriculture, as Obligee, and in the amount of One Hundred Forty Two Thousand Nine Hundred Ten Dollars and 00/100 (\$142,910.00).

In consideration of the agreed premium charged for this bond, it is understood and agreed that National Union Fire Insurance Company of Pittsburgh, PA hereby consents that effective from the 8th day of October, 2009, said bond shall be amended as follows:

THE BOND PENALTY SHALL BE Increased:

FROM: One Hundred Forty Two Thousand Nine Hundred Ten Dollars and 00/100 (\$142,910.00)

TO: One Hundred Seventy Five Thousand Eight Hundred Eleven Dollars and 00/100 (\$175,811.00)

The increase of said bond penalty shall be effective as of the 8th day of October, 2009, and does hereby agree that the continuity of protection under said bond subject to changes in penalty shall not be impaired hereby, provided that the aggregate liability of the above mentioned bond shall not exceed the amount of liability assumed by it at the time the act and/or acts of default were committed and in no event shall such liability be cumulative.

Signed, sealed and dated this 8th day of October, 2009.

Denison Mines (USA) Corp.
PRINCIPAL

BY: _____



National Union Fire Insurance Company of Pittsburgh, PA
SURETY

BY: _____



Sue E. Wood, ATTORNEY-IN-FACT



1550 17th Street, Suite 600
Denver, CO 80202-1657
Phone 303.534.4567

POWER OF ATTORNEY

American Home Assurance Company

National Union Fire Insurance Company of Pittsburgh, PA.

Principal Bond Office: 175 Water Street, New York, NY 10038

Power No. **27800**

No. **23-B-40987**

KNOW ALL MEN BY THESE PRESENTS:

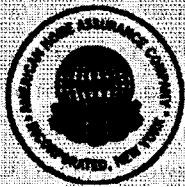
That American Home Assurance Company, a New York corporation, and National Union Fire Insurance Company of Pittsburgh, PA., a Pennsylvania corporation, does each hereby appoint

---Robert L. Cohen, Sarah M. Finn, Bradley J. Jefferess, Jennifer Bub, Nicole L. McCollam, Robert J. Reiter,
Sheryll R. Shaw, Kristen L. McCormick, Sue E. Wood, Keith M. Thompson of Denver, Colorado---

its true and lawful Attorney(s)-in-Fact, with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, PA. have each executed these presents

this 19th day of November, 2007



Vincent P. Forte

Vincent P. Forte, Vice President

STATE OF NEW YORK }

COUNTY OF NEW YORK } ss.

On this 19th day of November, 2007 before me came the above named officer of American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, PA., to me personally known to be the individual and officer described herein, and acknowledged that he executed the foregoing instrument and affixed the seals of said corporations thereto by authority of his office.

Juliana E. Hallenbeck

JULIANA E. HALLENBECK
NOTARY PUBLIC, STATE OF NEW YORK
No. 01HA6125671
QUALIFIED IN BRONX COUNTY
MY COMMISSION EXPIRES APRIL 18, 2009

CERTIFICATE

Exerpts of Resolutions adopted by the Boards of Directors of American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, PA. on May 18, 1976:

"RESOLVED, that the Chairman of the Board, the President, or any Vice President be, and hereby is, authorized to appoint Attorneys-in-Fact to represent and act for and on behalf of the Company to execute bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, and to attach thereto the corporate seal of the Company, in the transaction of its surety business;

"RESOLVED, that the signatures and attestations of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed with respect to any bond, undertaking, recognizance and other contract of indemnity and writing obligatory in the nature thereof;

"RESOLVED, that any such Attorney-in-Fact delivering a secretarial certification that the foregoing resolutions still be in effect may insert in such certification the date thereof, said date to be not later than the date of delivery thereof by such Attorney-in-Fact."

I, Elizabeth M. Tuck, Secretary of American Home Assurance Company and of National Union Fire Insurance Company of Pittsburgh, PA. do hereby certify that the foregoing excerpts of Resolutions adopted by the Boards of Directors of these corporations, and the Powers of Attorney issued pursuant thereto, are true and correct, and that both the Resolutions and the Powers of Attorney are in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of each corporation

this 8th day of October, 2009.



Elizabeth M. Tuck

Elizabeth M. Tuck, Secretary

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A
TO THE
RECLAMATION CONTRACTName of Operator: Denison Mines (USA) Corp.Permit Number: M/037/0012Mine Name: Pandora Exploration 2008Phone Number: 303-389-4136

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety: ☐ Decrease
☒ Increase
☐ Replacement

Reason: ☒ Amendment to NOI
☐ Cancellation/ Termination of surety
☐ Escalation
☐ Partial Release of surety
☐ Other

Explain: Amendment required additional surety in the amount of \$32,901.00. Surety rider.

Surety Dollar Amount Associated With This Action: \$32,901.00

Surety Aggregate Amount: \$175,811.00

Included in this modification (surety must be attached)

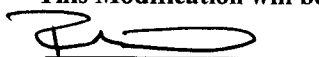
Instrument(s):

<input type="checkbox"/> Corporate Surety	<input checked="" type="checkbox"/> Rider
<input type="checkbox"/> LOC Letter of Credit	<input type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input type="checkbox"/> Cash	<input type="checkbox"/> Other

Explain:

Other surety not affected by this modification will remain part of Attachment A and labeled as such.

This Modification will be effective as of the last date signed below



Authorized Officer Signature

Ron Hochstein

Printed

President, CED

Title

Oct 16, 2009

Date

Division Director John R. Baza
Utah Division of Oil, Gas and Mining

Date

FACT SHEET

Commodity: Uranium

Mine Name: Pandora Mine

Permit Number: M/037/012

County: San Juan

Disturbed Acres: 14.16

Operator Name: Denison Mines (USA) Crop.

Operator address: 1050 17th Street, Ste. 950 – Denver, Colorado 80265

Operator telephone: 303-628-7798

Operator fax: 303-389-4125

Operator email: cwoodward@denisonmines.com

Contact: Christy Woodward

Surety Type: Bond

Held by (Bank/BLM): IMA

Surety Amount: \$175,811

Surety Account Number: Bond Number

Escalation Year: 2012

Tax ID or Social Security (for cash only): NA

Surface owner: BLM/USFS

Mineral owner: Denison Colorado Plateau, LLC

UTU number: UTU69800

Acres: 14.16 (total)